

Domestic Fundamentals:

- Mostly weak sentiments reported among major spot markets on Wednesday amid higher arrivals.
- All India weekly average prices decreased by 2.12 percent to Rs. 3354.01 per quintal during the week ended 15th May 2017. Guar seed average price were ruling at Rs 3426.77 per quintal during 01-08 May 2017. As compared to prices in the week 09-15 May 2016, the prices are firm by 19.45 percent. Prices are expected to remain range bound to slightly firm in coming days.
- Haryana has reduced its sowing target of guar to 3 lakh hectares down by around 1 lakh hectares. Normally Haryana sows 4.09 lakh hectares of guar but due to low prices in the last two years, farmers have shifted their interest to cotton in hope of better prices as MSP cotton can be increased by Rs. 160 per quintal. In Haryana, around sixty percent (3.81 lakh hectares) cotton area has been sowed in the last three weeks and if the sowing crosses the target area of government (6.35 lakh hectares) guar area is bound to fall in the upcoming season.
- Future as well as spot markets showed firm movement today as government levied 5% GST on guar gum.
- Monsoon is likely to arrive early this year and is expected to hit south Kerala coast on 30th May'17, early by around two days. Furthermore India may receive higher monsoon rainfall this year compared to previous forecast as probability of El Nino has been reduced. Monsoon rains which arrive in Andaman & Nicobar around May 20th have already reached on 14th May, around six days ahead of schedule.
- As per data released by Baker Hughes the number of oil rigs in USA has increased to 901 until 19th May up by 16 compared to last week and by 497 compared to 20th May 2016. Guar gum is used in hydraulic fracturing for extracting oil and gas; therefore, as the number of oil rigs is increasing demand for guar gum is also expected to increase. The number of oil rigs is expected to increase further in coming months which will provide support to guar gum prices.
- As per latest update for the month of February, Export of guar seed products i.e. powder, Split and meal has increased by 4615 metric tonnes compared to last month. India has exported 43780 tonnes of guar products in the month of February. Of the total quantity, 27820 tonnes is guar gum powder and the remaining is Guar split (4380 tonnes) and Guar meal (11580 tonnes).
- As per market sources, in the month of March 2017 India has exported around 56000 tonnes of guar gum compared to around 28000 tonnes last year for the same month. In fiscal year 2016-17, around 4.23 lakh tonnes of guar gum has been exported compared to 3.25 lakh tonnes in 2015-16. Guar gum is used in hydraulic fracturing for extracting oil and gas;

therefore as the number of oil rigs is increasing demand for guar gum is also expected to increase further.

- The wholesale price index of guar seed has increased slightly from 239.8 in February 2017 to 277.3 in March 2017. The WPI for March 2017 is up by 55 compared to last year for the same month and down by 16.5 compared to March 2015.
- According to third advance estimate issued by Gujarat's department of agriculture for guar seed the area, production and yield are 352000 hectares, 242000 tonnes and 687 kg/hectare respectively compared to final advance estimate issued in December the area, production and yield has been increased by 43000 hectares, 85000 tonnes and 56 kg/hectare.
- According to third advance estimate for 2016-17 issued by Rajasthan's Department of Agriculture for Guar seed the area, production and yield are 3530007 hectares, 1404819 tonnes and 398 kg/hectare respectively. As compared to first advance estimate for 2016-17, the area, production and yield have decreased by 46932 hectares, 557605 tonnes and 151 kg/hectare respectively.

Outlook: Prices are likely to move range bound to weak in coming days.

Guar Seed 10MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-94	3590	3594	3478	3491	75460	2,420	67860	-5,090
July-17	-95	3650	3653	3543	3554	16610	-5,670	28990	1,910

Guar Gum 5MT

Contract	+/- \$	Open	High	Low	Close	Volume	Change	OI	Change
June-17	-179	7670	7743	7507	7544	19480	-710	39545	-2,675
July-17	-177	7800	7890	7666	7699	8875	1,940	17005	3,470

Guar Seed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	23-May-17	23-May-17	23-May-17	22-May-17
Bikaner	4114	0	4114	4114
Deesa	12359	20	12379	12359
Sri Ganganagar	3109	0	3109	3109
Jodhpur	269	0	269	269
Nokha	0	10	10	10

Guar Gum Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	23-May-17	23-May-17	23-May-17	22-May-17
Deesa	20	0	20	20
Bikaner	7810	0	7810	7811
Jodhpur	9763	0	9763	9763
Nokha	8670	0	8670	8670
Sri Ganganagar	2587	0	2587	2837

Churi and Korma Prices: As On 24th May, 2017

Commodity	Center	Rs/75kg
Churi	Jodhpur	1500
Korma	Jodhpur	1931
Churi	Sri Ganganagar	1343
Korma	Sri Ganganagar	1781

Guar Export Prices: As On 24th May, 2017

	Variety	Value (Rs/Kg)	Value (\$/MT)
Guargum/Split (Mundra Port)		77	1187
Guargum Powder	200 Mesh 5000 CPS	97	1496
	200 Mesh 3500 CPS	92	1419
Guargum Meal	Meal 40%	21	324
	Meal 50%	26	401

Guar Seed Prices at Key Spot Markets:

Commodity	District	Centre	Prices (Rs/Qtl)		Change
			24-May-17	23-May-17	
Rajasthan	Jodhpur	Jodhpur (Loose)	3650	3750	-100
		Jodhpur(Delivery)	3800	3900	-100
	Sri-Ganganagar	Sri-Ganganagar(Loose)	3500	3550	-50
		Sri-Ganganagar (Delivery)	3650	3700	-50
		Rawla (Loose)	3450	3500	-50
		Gharsana (Loose)	3350	3450	-100
		Raisinghnagar (Loose)	3410	3500	-90
	Bikaner	Bikaner (Loose)	3425	3500	-75
		Bikaner (Delivery)	3575	3650	-75
		Nokha(Loose)	3350	3500	-150
		Nokha (Delivery)	3471	3626	-155
		Khajuwala (Loose)	3500	3540	-40

		Khajuwala (Delivery)	3640	3682	-42
		Lunkaransar (Loose)	3400	3500	-100
	Hanumangarh	Hanumangarh (Loose)	3540	3500	40
		Hanumangarh (Delivery)	3690	3650	40
		Nohar (Loose)	3450	3500	-50
		Pilibanga (Loose)	3525	3500	25
	Nagaur	Nagaur (Loose)	3425	3480	-55
	Churu	Churu (Delivery)	3500	3650	-150
	Alwar	Alwar (Loose)	3250	3400	-150
Haryana	Hisar	Adampur (Loose)	3450	3500	-50
		Adampur (Delivery)	3600	3650	-50
	Bhiwani	Bhiwani (Delivery)	3625	3650	-25
		Siwani (Loose)	3550	3600	-50
	Sirsa	Sirsa (Loose)	3450	3525	-75
		Dhabwali (Loose)	3400	3525	-125
		Dhabwali (Delivery)	3550	3675	-125
		Ellanabad (Loose)	3350	3450	-100
	Fatehabad	Fatehabad (Loose)	NR	3500	-
Gujarat	Banaskantha	Deesa (Loose)	3250	3100	150
	Patan	Patan (Loose)	3330	3335	-5
	Rajkot	Rajkot (Loose)	3325	3375	-50
	Jamnagar	Dhrol (Loose)	NA	NA	-
Madhya Pradesh	Gwalior	Dabra (Loose)	NA	NA	-
Guar Gum					
Rajasthan	Jodhpur	Jodhpur	7700	7900	-200
	Alwar	Alwar	7600	7900	-300
	Hanumangarh	Nohar	7700	7800	-100
Haryana	Bhiwani	Bhiwani	7850	7890	-40
	Sirsa	Sirsa	7600	7800	-200
		Dhabwali	7500	7800	-300
		Ellanabad	7700	7850	-150
	Fatehabad	Fatehabad	NR	7000	-

Guar Seed Arrivals in Key Centers

Commodity	District	Centre	Arrivals (Quintals)		Change
			24-May-17	23-May-17	
Guar Seed	Jodhpur	Jodhpur	60	60	Unch
	Sri-Ganganagar	Sri-Ganganagar	2500	3000	-500
		Rawla	100	50	50

		Gharsana	60	100	-40
		Raisinghnagar	600	400	200
	Bikaner	Bikaner	400	500	-100
		Nokha	500	300	200
		Khajuwala	400	300	100
		Lunkaransar	300	200	100
	Hanumangarh	Hanumangarh	55	150	-95
		Nohar	1600	1400	200
		Pilibanga	500	700	-200
	Nagaur	Nagaur	500	200	300
	Churu	Churu	1000	100	900
	Alwar	Alwar	200	100	100
Haryana	Hisar	Adampur	800	1200	-400
	Bhiwani	Bhiwani	10000	3000	7000
		Siwani	800	500	300
	Sirsa	Sirsa	1000	1000	Unch
		Dhabwali	100	100	Unch
		Ellanabad	200	200	Unch
	Fatehabad	Fatehabad	NR	10	-
Gujarat	Banaskantha	Deesa	200	200	Unch
	Patan	Patan	56	63	-7
	Rajkot	Rajkot	80	100	-20
	Jamnagar	Dhrol	NA	NA	-
Madhya Pradesh	Gwalior	Dabra	NA	NA	-
Total Arrivals/Above Markets			22011	13933	8078

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